



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

(A-570-033)

Large Residential Washers from the People's Republic of China: Initiation of Less-Than-Fair-Value Investigation

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

DATES: Effective date: January 5, 2016

FOR FURTHER INFORMATION CONTACT: David Goldberger at (202) 482-4136 or Ross Belliveau at (202) 482-4952, Office II, AD/CVD Operations, Enforcement and Compliance, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

The Petition

On December 16, 2015, the Department of Commerce (the Department) received an antidumping duty (AD) petition concerning imports of large residential washers (washing machines) from the People's Republic of China (PRC), filed in proper form on behalf of Whirlpool Corporation (Petitioner).<sup>1</sup> Petitioner is a domestic producer of washing machines.<sup>2</sup>

On December 16, 2015, the Department requested additional information and clarification of certain areas of the Petition.<sup>3</sup> Petitioner filed a response to this request on December 18, 2015.<sup>4</sup>

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<sup>1</sup> See the Petition for the Imposition of Antidumping Duties on Imports of Large Residential Washers from the PRC, dated December 16, 2015 (the Petition).

<sup>2</sup> See Volume I of the Petition, at 4.

<sup>3</sup> See Letter from the Department to Petitioner entitled "Re: Petition for the Imposition of Antidumping Duties on Imports of Large Residential Washers from the People's Republic of China: Supplemental Questions" dated December 16, 2015 (Supplemental Questionnaire).

<sup>4</sup> See Supplement to the Petition, dated December 18, 2015 (Petition Supplement).

On January 4, 2016, Petitioner filed an amendment to the Petition, clarifying one of its responses in the Petition Supplement.<sup>5</sup>

In accordance with section 732(b) of the Tariff Act of 1930, as amended (the Act), Petitioner alleges that imports of washing machines from the PRC are being, or are likely to be, sold in the United States at less-than-fair value within the meaning of section 731 of the Act, and that such imports are materially injuring, or threatening material injury to, an industry in the United States. Also, consistent with section 732(b)(1) of the Act, the Petition is accompanied by information reasonably available to Petitioner supporting its allegations.

The Department finds that Petitioner filed this Petition on behalf of the domestic industry because Petitioner is an interested party as defined in section 771(9)(C) of the Act. The Department also finds that Petitioner demonstrated sufficient industry support with respect to the initiation of the AD investigation that Petitioner is requesting.<sup>6</sup>

#### Period of Investigation

Because the Petition was filed on December 16, 2015, the period of investigation (POI) is, pursuant to 19 CFR 351.204(b)(1), April 1, 2015, through September 30, 2015.

#### Scope of the Investigation

The product covered by this investigation is washing machines from the PRC. For a full description of the scope of this investigation, *see* the “Scope of the Investigation,” in Appendix I of this notice.

#### Comments on Scope of the Investigation

As discussed in the preamble to the Department’s regulations,<sup>7</sup> we are setting aside a

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<sup>5</sup> See letter from Petitioner, entitled “Large Residential Washers from the People’s Republic of China: Amendment to Antidumping Petition,” dated January 4, 2016.

<sup>6</sup> See the “Determination of Industry Support for the Petition” section below.

<sup>7</sup> See *Antidumping Duties; Countervailing Duties*, 62 FR 27296, 27323 (May 19, 1997).

period for interested parties to raise issues regarding product coverage (scope). The Department will consider all comments received from parties and, if necessary, will consult with parties prior to the issuance of the preliminary determination. If scope comments include factual information (*see* 19 CFR 351.102(b)(21)), all such factual information should be limited to public information. In order to facilitate preparation of its questionnaires, the Department requests all interested parties to submit such comments by 5:00 p.m. Eastern Time (ET) on Monday, January 25, 2016, which is 20 calendar days from the signature date of this notice. Any rebuttal comments, which may include factual information, must be filed by 5:00 p.m. ET on Thursday, February 4, 2016, which is 10 calendar days after the initial comments deadline.

The Department requests that any factual information the parties consider relevant to the scope of the investigation be submitted during this time period. However, if a party subsequently finds that additional factual information pertaining to the scope of the investigation may be relevant, the party may contact the Department and request permission to submit the additional information.

#### Filing Requirements

All submissions to the Department must be filed electronically using Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS).<sup>8</sup> An electronically filed document must be received successfully in its entirety by the time and date when it is due. Documents excepted from the electronic submission requirements must be filed manually (*i.e.*, in paper form) with Enforcement and Compliance's

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<sup>8</sup> *See Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures*, 76 FR 39263 (July 6, 2011); *see also Enforcement and Compliance; Change of Electronic Filing System Name*, 79 FR 69046 (November 20, 2014) for details of the Department's electronic filing requirements, which went into effect on August 5, 2011. Information on help using ACCESS can be found at <https://access.trade.gov/help.aspx> and a handbook can be found at <https://access.trade.gov/help/Handbook%20on%20Electronic%20Filing%20Procedures.pdf>.

APO/Dockets Unit, Room 18022, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230, and stamped with the date and time of receipt by the applicable deadlines.

#### Comments on Product Characteristics for AD Questionnaires

The Department requests comments from interested parties regarding the appropriate physical characteristics of washing machines to be reported in response to the Department's AD questionnaires. This information will be used to identify the key physical characteristics of the subject merchandise in order to report the relevant factors and costs of production accurately as well as to develop appropriate product-comparison criteria.

Interested parties may provide any information or comments that they feel are relevant to the development of an accurate list of physical characteristics. Specifically, they may provide comments as to which characteristics are appropriate to use as: 1) general product characteristics and 2) product-comparison criteria. We note that it is not always appropriate to use all product characteristics as product-comparison criteria. We base product-comparison criteria on meaningful commercial differences among products. In other words, although there may be some physical product characteristics utilized by manufacturers to describe washing machines, it may be that only a select few product characteristics take into account commercially meaningful physical characteristics. In addition, interested parties may comment on the order in which the physical characteristics should be used in matching products. Generally, the Department attempts to list the most important physical characteristics first and the least important characteristics last.

In order to consider the suggestions of interested parties in developing and issuing the AD questionnaires, all comments must be filed by 5:00 P.M. EDT on January 25, 2016, which is

twenty calendar days from the signature date of this notice. Any rebuttal comments must be filed by 5:00 P.M. EDT on February 4, 2016. All comments and submissions to the Department must be filed electronically using ACCESS, as explained above.

#### Determination of Industry Support for the Petition

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) at least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 732(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, the Department shall: (i) poll the industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the “industry.”

Section 771(4)(A) of the Act defines the “industry” as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs the Department to look to producers and workers who produce the domestic like product. The International Trade Commission (ITC), which is responsible for determining whether “the domestic industry” has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both the Department and the ITC must apply the same statutory definition regarding the domestic like product,<sup>9</sup> they do so for different purposes and pursuant to a separate and distinct authority. In addition, the

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<sup>9</sup> See section 771(10) of the Act.

Department's determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law.<sup>10</sup>

Section 771(10) of the Act defines the domestic like product as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title." Thus, the reference point from which the domestic like product analysis begins is "the article subject to an investigation" (*i.e.*, the class or kind of merchandise to be investigated, which normally will be the scope as defined in the Petition).

With regard to the domestic like product, Petitioner does not offer a definition of the domestic like product distinct from the scope of the investigation. Based on our analysis of the information submitted on the record, we determined that washing machines constitute a single domestic like product and we analyzed industry support in terms of that domestic like product.<sup>11</sup>

In determining whether Petitioner has standing under section 732(c)(4)(A) of the Act, we considered the industry support data contained in the Petition with reference to the domestic like product as defined in the "Scope of the Investigation," in Appendix I of this notice. To establish industry support, Petitioner provided its shipments of the domestic like product in 2014, and compared its shipments to the estimated total shipments of the domestic like product for the entire domestic industry.<sup>12</sup> Because total industry production data for the domestic like product for 2014 is not reasonably available and Petitioner established that shipments are a reasonable

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<sup>10</sup> See *USEC, Inc. v. United States*, 132 F. Supp. 2d 1, 8 (CIT 2001) (citing *Algoma Steel Corp., Ltd. v. United States*, 688 F. Supp. 639, 644 (CIT 1988), *aff'd* 865 F.2d 240 (Fed. Cir. 1989)).

<sup>11</sup> For a discussion of the domestic like product analysis in this case, see Antidumping Duty Investigation Initiation Checklist: Large Residential Washers from the People's Republic of China (PRC AD Initiation Checklist), at Attachment II, Analysis of Industry Support for the Antidumping Duty Petition Covering Large Residential Washers from the People's Republic of China (Attachment II). This checklist is dated concurrently with this notice and on file electronically via ACCESS. Access to documents filed via ACCESS is also available in the Central Records Unit, Room B8024 of the main Department of Commerce building.

<sup>12</sup> See Volume I of the Petition, at 6-7 and Volume II of the Petition, at Exhibits 1-2; see also Petition Supplement, at 1-5 and Exhibits C-E.

proxy for production data,<sup>13</sup> we relied upon the shipment data provided by Petitioner for purposes of measuring industry support.<sup>14</sup>

Our review of the data provided in the Petition, Petition Supplement, and other information readily available to the Department indicates that Petitioner has established industry support.<sup>15</sup> First, the Petition established support from domestic producers (or workers) accounting for more than 50 percent of the total shipments<sup>16</sup> of the domestic like product and, as such, the Department is not required to take further action in order to evaluate industry support (*e.g.*, polling).<sup>17</sup> Second, the domestic producers (or workers) met the statutory criteria for industry support under section 732(c)(4)(A)(i) of the Act because the domestic producers (or workers) who support the Petition account for at least 25 percent of the total shipments of the domestic like product.<sup>18</sup> Finally, the domestic producers (or workers) met the statutory criteria for industry support under section 732(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who support the Petition account for more than 50 percent of the shipments of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the Petition.<sup>19</sup> Accordingly, the Department determines that the Petition was filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act.

The Department finds that Petitioner filed the Petition on behalf of the domestic industry because it is an interested party as defined in section 771(9)(C) of the Act and it has

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<sup>13</sup> See Petition Supplement, at 3-4.

<sup>14</sup> For further discussion, see PRC AD Initiation Checklist, at Attachment II.

<sup>15</sup> *Id.*

<sup>16</sup> As mentioned above, Petitioner established that shipments are a reasonable proxy for production data. Section 351.203(e)(1) of the Department's regulations states "production levels may be established by reference to alternative data that the Secretary determines to be indicative of production levels."

<sup>17</sup> See section 732(c)(4)(D) of the Act; see also PRC AD Initiation Checklist, at Attachment II.

<sup>18</sup> See PRC AD Initiation Checklist, at Attachment II.

<sup>19</sup> *Id.*

demonstrated sufficient industry support with respect to the AD investigation that it is requesting the Department initiate.<sup>20</sup>

#### Allegations and Evidence of Material Injury and Causation

Petitioner alleges that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the imports of the subject merchandise sold at less than normal value (NV). In addition, Petitioner alleges that subject imports exceed the negligibility threshold provided for under section 771(24)(A) of the Act.<sup>21</sup>

Petitioner contends that the industry's injured condition is illustrated by reduced market share, underselling and price depression or suppression, lost sales and revenue, and weakening financial position.<sup>22</sup> We assessed the allegations and supporting evidence regarding material injury, threat of material injury, and causation, and we determined that these allegations are properly supported by adequate evidence and meet the statutory requirements for initiation.<sup>23</sup>

#### Allegations of Sales at Less-Than-Fair Value

The following is a description of the allegations of sales at less-than-fair value upon which the Department based its decision to initiate an investigation of imports of washing machines from the PRC. The sources of data for the deductions and adjustments relating to U.S. price and NV are discussed in greater detail in the initiation checklist.

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<sup>20</sup> *Id.*

<sup>21</sup> See Volume I of the Petition, at 56 and Volume II of the Petition, at Exhibit 2.

<sup>22</sup> See Volume I of the Petition, at 1-4, 38-57, 61-114; Volume II of the Petition, at Exhibits 1-2; and Volume IV of the Petition, at Exhibits 30-40; *see also* Petition Supplement, at 2, 5-7, and Exhibits C and F-H..

<sup>23</sup> See PRC AD Initiation Checklist, at Attachment III, Analysis of Allegations and Evidence of Material Injury and Causation for the Antidumping Duty Petition Covering Large Residential Washers from the People's Republic of China.



### Export Price

Petitioner based U.S. prices on advertised retail prices for representative washing machines produced in the PRC and sold at major retailers in the U.S. market during the POI.<sup>24</sup> These prices were adjusted to exclude the retailer markup, as well as discounts and rebates, based on Petitioner's experience in, and knowledge of, the market.<sup>25</sup> Petitioner deducted international freight and duty costs based on U.S. Customs and Border Protection (CBP) import data from the ITC's Dataweb.<sup>26</sup>

### Normal Value

Petitioner stated that the Department currently treats the PRC as a non-market economy (NME) country and, in accordance with section 771(18)(C)(i) of the Act, the presumption of NME status remains in effect until revoked by the Department.<sup>27</sup> The presumption of NME status for the PRC has not been revoked by the Department and, therefore, remains in effect for purposes of the initiation of this investigation. Accordingly, the NV of the product is appropriately based on factors of production (FOPs) valued in a surrogate market economy country, in accordance with section 773(c) of the Act. In the course of this investigation, all parties, and the public, will have the opportunity to provide relevant information related to the issues of the PRC's NME status and the granting of separate rates to individual exporters.

Petitioner claims that Thailand is an appropriate surrogate country because it is a market economy that is at a level of economic development comparable to that of the PRC and it is a significant producer of the merchandise under consideration.<sup>28</sup>

Based on the information provided by Petitioner, it is appropriate to use Thailand as a

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<sup>24</sup> See Volume I of the Petition, at 27-29 and Volume II of the Petition, at Exhibits 12 – 15.

<sup>25</sup> See Volume I of Petition at 29 and Volume II of the Petition, at Exhibits 16 and 17.

<sup>26</sup> See Volume I of the Petition, at 29 and Volume II of the Petition, at Exhibits 16 and 18.

<sup>27</sup> See Volume I of the Petition, at 29.

<sup>28</sup> See Volume I of the Petition, at 29 – 30 and Volume II of the Petition, at Exhibits 19 and 20.

surrogate country for initiation purposes. Interested parties will have the opportunity to submit comments regarding surrogate country selection and, pursuant to 19 CFR 351.301(c)(3)(i), will be provided an opportunity to submit publicly available information to value FOPs within 30 days before the scheduled date of the preliminary determination.

### *Factors of Production*

Petitioner based the FOPs for materials on the actual quantities of material components for the same models of washing machines used as the basis of U.S. price, derived through a “product teardown” process, *i.e.*, disassembly and analysis of four actual washing machines purchased in the United States.<sup>29</sup> For labor and electricity, Petitioner estimated usage rates in the PRC based on its own actual experience producing specific front load and top load models during the POI.<sup>30</sup> Petitioner valued the estimated factors of production using surrogate values from Thailand.<sup>31</sup>

### *Valuation of Raw Materials and Packing Materials*

Petitioner valued the FOPs for raw materials using reasonably available, public import data for Thailand from the Global Trade Atlas (GTA) for the period of investigation.<sup>32</sup> Petitioner excluded all import values from countries previously determined by the Department to maintain broadly available, non-industry-specific export subsidies and from countries previously determined by the Department to be NME countries. In addition, in accordance with the Department’s practice, the average import values exclude imports that were labeled as originating from an unidentified country. The Department determines that the surrogate values

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<sup>29</sup> See Volume I of the Petition, at 30 – 31, Volume II of the Petition, at Exhibit 21, and Volume IV of the Petition, at Exhibit 29.

<sup>30</sup> See Volume I of the Petition, at 31, Volume II of the Petition, at Exhibit 22, and Volume IV of the Petition, at Exhibit 29.

<sup>31</sup> See Volume I of the Petition, at 31 – 32.

<sup>32</sup> See Volume III of the Petition, at Exhibit 23.

used by Petitioner are reasonably available and, thus, are acceptable for purposes of initiation.

#### *Valuation of Labor*

Petitioner valued labor using quarterly Thai labor data published by Thailand's National Statistics Office (NSO).<sup>33</sup> Specifically, Petitioner relied on data pertaining to wages and benefits earned by Thai workers engaged in the manufacturing sector of the Thai economy.<sup>34</sup> Petitioner converted the wage rates to an hourly rate and converted from Thai Baht to U.S. Dollars using the average exchange rate during the POI.<sup>35</sup>

#### *Valuation of Energy*

Petitioner used public information, as compiled by the Electricity Generating Authority of Thailand (EGAT), to value electricity.<sup>36</sup> This EGAT price information was converted by Petitioner to a U.S. Dollars/ kilowatt hours price using the average exchange rate during the POI.<sup>37</sup>

#### *Valuation of Factory Overhead, Selling, General and Administrative Expenses (SG&A), and Profit*

Petitioner calculated surrogate financial ratios (*i.e.*, factory overhead, SG&A expenses, and profit) using the 2014 audited financial statement of Haier Electric (Thailand) Public Co., Ltd. (HET), a Thai producer of comparable merchandise (*i.e.*, washing machines).<sup>38</sup>

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<sup>33</sup> See Volume I of the Petition, at 3 and Volume IV of the Petition, at Exhibit 24.

<sup>34</sup> *Id.*

<sup>35</sup> See Volume IV of the Petition, at Exhibits 24 and 26.

<sup>36</sup> See Volume I of the Petition, at 31 and Volume IV of the Petition, at Exhibit 25.

<sup>37</sup> See Volume IV of the Petition, at Exhibits 25 and 26.

<sup>38</sup> See Volume I of the Petition, at 32 and Volume IV of the Petition, at Exhibits 27 and 28.

### Fair Value Comparisons

Based on the data provided by Petitioner, there is reason to believe that imports of washing machines from the PRC are being, or are likely to be, sold in the United States at less-than-fair value. Based on comparisons of EP to NV, in accordance with section 773(c) of the Act, the estimated dumping margins for washing machines from the PRC range from 68.92 to 109.04 percent.<sup>39</sup>

### Initiation of Less-than-Fair-Value Investigation

Based upon the examination of the AD Petition on washing machines from the PRC, we find that the Petition meets the requirements of section 732 of the Act. Therefore, we are initiating an AD investigation to determine whether washing machines from the PRC are being, or are likely to be, sold in the United States at less-than-fair value. In accordance with section 733(b)(1)(A) of the Act and 19 CFR 351.205(b)(1), unless postponed, we will make our preliminary determination no later than 140 days after the date of this initiation.

On June 29, 2015, the President of the United States signed into law the Trade Preferences Extension Act of 2015, which made numerous amendments to the AD and CVD law.<sup>40</sup> The 2015 law does not specify dates of application for those amendments. On August 6, 2015, the Department published an interpretative rule, in which it announced the applicability dates for each amendment to the Act, except for amendments contained in section 771(7) of the Act, which relate to determinations of material injury by the ITC.<sup>41</sup> The amendments to sections

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<sup>39</sup> See Volume I of the Petition, at 32 and PRC AD Initiation Checklist.

<sup>40</sup> See Trade Preferences Extension Act of 2015, Pub. L. No. 114-27, 129 Stat. 362 (2015).

<sup>41</sup> See *Dates of Application of Amendments to the Antidumping and Countervailing Duty Laws Made by the Trade Preferences Extension Act of 2015*, 80 FR 46793 (August 6, 2015) (*Applicability Notice*).

771(15), 773, 776, and 782 of the Act are applicable to all determinations made on or after August 6, 2015, and, therefore, apply to this AD investigation.<sup>42</sup>

### Respondent Selection

Petitioner named two companies as producers/exporters of washing machines subject to the scope of this investigation.<sup>43</sup> Accordingly, and in the absence of any contradictory information, the Department intends to examine all known producers/exporters of washing machines from the PRC.

### Separate Rates

In order to obtain separate-rate status in an NME investigation, exporters and producers must submit a separate-rate application.<sup>44</sup> The specific requirements for submitting a separate-rate application are outlined in detail in the application itself, which is available on the Department's website at <http://enforcement.trade.gov/nme/nme-sep-rate.html>. The separate-rate application will be due 30 days after publication of this initiation notice.<sup>45</sup> Exporters and producers who submit a separate-rate application and have been selected as mandatory respondents will be eligible for consideration for separate-rate status only if they respond to all parts of the Department's AD questionnaire as mandatory respondents. The Department requires that respondents from the PRC submit a response to the separate-rate application by the deadline in order to receive consideration for separate-rate status.

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<sup>42</sup> *Id.* at 46794-95. The 2015 amendments may be found at <https://www.congress.gov/bill/114th-congress/house-bill/1295/text/pl>.

<sup>43</sup> See Volume I of the Petition, at 21 – 22.

<sup>44</sup> See Policy Bulletin 05.1: Separate-Rates Practice and Application of Combination Rates in Antidumping Investigation involving Non-Market Economy Countries (April 5, 2005), available at <http://enforcement.trade.gov/policy/bull05-1.pdf> (Policy Bulletin 05.1).

<sup>45</sup> Although in past investigations this deadline was 60 days, consistent with 19 CFR 351.301(a), which states that “the Secretary may request any person to submit factual information at any time during a proceeding,” this deadline is now 30 days.

### Use of Combination Rates

The Department will calculate combination rates for certain respondents that are eligible for a separate rate in an NME investigation. The Separate Rates and Combination Rates Bulletin states:

{w}hile continuing the practice of assigning separate rates only to exporters, all separate rates that the Department will now assign in its NME Investigation will be specific to those producers that supplied the exporter during the period of investigation. Note, however, that one rate is calculated for the exporter and all of the producers which supplied subject merchandise to it during the period of investigation. This practice applies both to mandatory respondents receiving an individually calculated separate rate as well as the pool of non-investigated firms receiving the weighted-average of the individually calculated rates. This practice is referred to as the application of “combination rates” because such rates apply to specific combinations of exporters and one or more producers. The cash-deposit rate assigned to an exporter will apply only to merchandise both exported by the firm in question and produced by a firm that supplied the exporter during the period of investigation.<sup>46</sup>

### Distribution of Copies of the Petition

In accordance with section 732(b)(3)(A) of the Act and 19 CFR 351.202(f), a copy of the public version of the Petition has been provided to the government of the PRC via ACCESS. To the extent practicable, we will attempt to provide a copy of the public version of the Petition to each exporter named in the Petition, as provided under 19 CFR 351.203(c)(2).

### ITC Notification

We will notify the ITC of our initiation, as required by section 732(d) of the Act.

### Preliminary Determination by the ITC

The ITC will preliminarily determine, within 45 days after the date on which the Petition was filed, whether there is a reasonable indication that imports of washing machines from the PRC are materially injuring or threatening material injury to a U.S. industry.<sup>47</sup> A negative ITC

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<sup>46</sup> See Policy Bulletin 05.1 at 6 (emphasis added).

<sup>47</sup> See section 733(a) of the Act.

determination will result in the investigation being terminated;<sup>48</sup> otherwise, this investigation will proceed according to statutory and regulatory time limits.

#### Submission of Factual Information

Factual information is defined in 19 CFR 351.102(b)(21) as: (i) evidence submitted in response to questionnaires; (ii) evidence submitted in support of allegations; (iii) publicly available information to value factors under 19 CFR 351.408(c) or to measure the adequacy of remuneration under 19 CFR 351.511(a)(2); (iv) evidence placed on the record by the Department; and (v) evidence other than factual information described in (i)–(iv). Any party, when submitting factual information, must specify under which subsection of 19 CFR 351.102(b)(21) the information is being submitted<sup>49</sup> and, if the information is submitted to rebut, clarify, or correct factual information already on the record, to provide an explanation identifying the information already on the record that the factual information seeks to rebut, clarify, or correct.<sup>50</sup> Time limits for the submission of factual information are addressed in 19 CFR 351.301, which provides specific time limits based on the type of factual information being submitted. Please review the regulations prior to submitting factual information in these investigations.

#### Extensions of Time Limits

Parties may request an extension of time limits before the expiration of a time limit established under 19 CFR 351, or as otherwise specified by the Secretary. In general, an extension request will be considered untimely if it is filed after the expiration of the time limit established under 19 CFR 351. For submissions that are due from multiple parties simultaneously, an extension request will be considered untimely if it is filed after 10:00 a.m. ET

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<sup>48</sup> *Id.*

<sup>49</sup> *See* 19 CFR 351.301(b).

<sup>50</sup> *See* 19 CFR 351.301(b)(2).

on the due date. Under certain circumstances, we may elect to specify a different time limit by which extension requests will be considered untimely for submissions which are due from multiple parties simultaneously. In such a case, we will inform parties in the letter or memorandum setting forth the deadline (including a specified time) by which extension requests must be filed to be considered timely. An extension request must be made in a separate, stand-alone submission; under limited circumstances we will grant untimely-filed requests for the extension of time limits. Review *Extension of Time Limits; Final Rule*, 78 FR 57790 (September 20, 2013), available at <http://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm>, prior to submitting factual information in these investigations.

#### Certification Requirements

Any party submitting factual information in an AD or CVD proceeding must certify to the accuracy and completeness of that information.<sup>51</sup> Parties are hereby reminded that revised certification requirements are in effect for company/government officials, as well as their representatives. Investigations initiated on the basis of petitions filed on or after August 16, 2013, and other segments of any AD or CVD proceedings initiated on or after August 16, 2013, should use the formats for the revised certifications provided at the end of the *Final Rule*.<sup>52</sup> The Department intends to reject factual submissions if the submitting party does not comply with applicable revised certification requirements.

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<sup>51</sup> See section 782(b) of the Act.

<sup>52</sup> See *Certification of Factual Information to Import Administration during Antidumping and Countervailing Duty Proceedings*, 78 FR 42678 (July 17, 2013) (*Final Rule*); see also frequently asked questions regarding the *Final Rule*, available at [http://enforcement.trade.gov/tlei/notices/factual\\_info\\_final\\_rule\\_FAQ\\_07172013.pdf](http://enforcement.trade.gov/tlei/notices/factual_info_final_rule_FAQ_07172013.pdf).



### Notification to Interested Parties

Interested parties must submit applications for disclosure under administrative protective order (APO) in accordance with 19 CFR 351.305. On January 22, 2008, the Department published *Antidumping and Countervailing Duty Proceedings: Documents Submission Procedures; APO Procedures*, 73 FR 3634 (January 22, 2008). Parties wishing to participate in these investigations should ensure that they meet the requirements of these procedures (*e.g.*, the filing of letters of appearance as discussed in 19 CFR 351.103(d)).

This notice is issued and published pursuant to section 777(i) of the Act and 19 CFR 351.203(c).

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Paul Piquado  
Assistant Secretary  
for Enforcement and Compliance

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## Appendix I

### Scope of the Investigation

The products covered by this investigation are all large residential washers and certain parts thereof from the People's Republic of China.

For purposes of this investigation, the term “large residential washers” denotes all automatic clothes washing machines, regardless of the orientation of the rotational axis, with a cabinet width (measured from its widest point) of at least 24.5 inches (62.23 cm) and no more than 32.0 inches (81.28 cm), except as noted below.

Also covered are certain parts used in large residential washers, namely: (1) all cabinets, or portions thereof, designed for use in large residential washers; (2) all assembled tubs<sup>53</sup> designed for use in large residential washers which incorporate, at a minimum: (a) a tub; and (b) a seal; (3) all assembled baskets<sup>54</sup> designed for use in large residential washers which incorporate, at a minimum: (a) a side wrapper;<sup>55</sup> (b) a base; and (c) a drive hub;<sup>56</sup> and (4) any combination of the foregoing parts or subassemblies.

Excluded from the scope are stacked washer-dryers and commercial washers. The term “stacked washer-dryers” denotes distinct washing and drying machines that are built on a unitary frame and share a common console that controls both the washer and the dryer. The term “commercial washer” denotes an automatic clothes washing machine designed for the “pay per use” segment meeting either of the following two definitions:

- (1) (a) it contains payment system electronics;<sup>57</sup> (b) it is configured with an externally mounted steel frame at least six inches high that is designed to house a coin/token operated payment system (whether or not the actual coin/token operated payment system is installed at the time of importation); (c) it contains a push button user interface with a maximum of six manually selectable wash cycle settings, with no ability of the end user to otherwise modify water temperature, water level, or spin speed for a selected wash cycle setting; and (d) the console containing the user interface is made of steel and is assembled with security fasteners;<sup>58</sup> or

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<sup>53</sup> A “tub” is the part of the washer designed to hold water.

<sup>54</sup> A “basket” (sometimes referred to as a “drum”) is the part of the washer designed to hold clothing or other fabrics.

<sup>55</sup> A “side wrapper” is the cylindrical part of the basket that actually holds the clothing or other fabrics.

<sup>56</sup> A “drive hub” is the hub at the center of the base that bears the load from the motor.

<sup>57</sup> “Payment system electronics” denotes a circuit board designed to receive signals from a payment acceptance device and to display payment amount, selected settings, and cycle status. Such electronics also capture cycles and payment history and provide for transmission to a reader.

<sup>58</sup> A “security fastener” is a screw with a non-standard head that requires a non-standard driver. Examples include those with a pin in the center of the head as a “center pin reject” feature to prevent standard Allen wrenches or Torx drivers from working.

(2) (a) it contains payment system electronics; (b) the payment system electronics are enabled (whether or not the payment acceptance device has been installed at the time of importation) such that, in normal operation,<sup>59</sup> the unit cannot begin a wash cycle without first receiving a signal from a bona fide payment acceptance device such as an electronic credit card reader; (c) it contains a push button user interface with a maximum of six manually selectable wash cycle settings, with no ability of the end user to otherwise modify water temperature, water level, or spin speed for a selected wash cycle setting; and (d) the console containing the user interface is made of steel and is assembled with security fasteners.

Also excluded from the scope are automatic clothes washing machines that meet all of the following conditions: (1) have a vertical rotational axis; (2) are top loading;<sup>60</sup> (3) have a drive train consisting, *inter alia*, of (a) a permanent split capacitor (PSC) motor,<sup>61</sup> (b) a belt drive,<sup>62</sup> and (c) a flat wrap spring clutch.<sup>63</sup>

Also excluded from the scope are automatic clothes washing machines that meet all of the following conditions: (1) have a horizontal rotational axis; (2) are front loading;<sup>64</sup> and (3) have a drive train consisting, *inter alia*, of (a) a controlled induction motor (CIM),<sup>65</sup> and (b) a belt drive.

Also excluded from the scope are automatic clothes washing machines that meet all of the following conditions: (1) have a horizontal rotational axis; (2) are front loading; and (3) have cabinet width (measured from its widest point) of more than 28.5 inches (72.39 cm).

The products subject to this investigation are currently classifiable under subheadings 8450.20.0040 and 8450.20.0080 of the Harmonized Tariff Schedule of the United States (HTSUS). Products subject to this investigation may also enter under HTSUS subheadings 8450.11.0040, 8450.11.0080, 8450.90.2000, and 8450.90.6000. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise subject to this investigation is dispositive.

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<sup>59</sup> “Normal operation” refers to the operating mode(s) available to end users (*i.e.*, not a mode designed for testing or repair by a technician).

<sup>60</sup> “Top loading” means that access to the basket is from the top of the washer.

<sup>61</sup> A “PSC motor” is an asynchronous, alternating current (AC), single phase induction motor that employs split phase capacitor technology.

<sup>62</sup> A “belt drive” refers to a drive system that includes a belt and pulleys.

<sup>63</sup> A “flat wrap spring clutch” is a flat metal spring that, when engaged, links abutted cylindrical pieces on the input shaft with the end of the concentric output shaft that connects to the drive hub.

<sup>64</sup> “Front loading” means that access to the basket is from the front of the washer.

<sup>65</sup> A “controlled induction motor” is an asynchronous, alternating current (AC), polyphase induction motor.

